

## ABOUT WAR LOANS

THE WAR LOANS of the world are greater in name than they are in fact. Their magnitude in fact depends upon the organization of industry after the war more than upon any other factor.

The world entered upon the war with the usual superstitions, which consisted mainly of an over estimate of the function of money, the yard stick, and an under estimate of the function of commodities, the things measured by the yard stick, money.

The enormous loans of Germany, enormous relative to her population, contributed to clear up the confusion that existed. A scrutiny of the methods of the Central Powers showed that they could continue the war while they had the man power and the goods. If they had neither man power nor goods, but all the money necessary to finance a war, they could not go on.

People began to see clearly that the war is based on man power, plus manufacturing power, the latter being a production of men, machines and raw materials, with money as the convenient measure of values, and the easiest medium of exchange.

Efficient war consisted in these several items. There must be a sufficient number of men to fight. These men must have a sufficient quantity of efficient weapons, munitions for the weapons and food, clothing and shelter in the necessary proportions.

The civil population must be productive enough to supply the army and feed and cloth itself.

Given these conditions and a war might be continued indefinitely. There would be so much of the necessary commodities, of which government would take such as were necessary for the war, leaving the remainder to sustain the civil population.

The national debt consisted in the paper given by the government in return for goods advanced or loaned. If the condition of continuing war would depend not upon the size of the debt, but whether there were goods enough to carry on with, and whether the people were willing to carry on.

Germany and Austria soon came to a tight place, not because they lacked money, but because they lacked goods. After telling off enough persons to fight, they lacked enough to grow food. The land of Germany never had been sufficient to completely feed the country, and there were serious deficiencies in raw materials not produced in Germany, such as rubber, copper, nickel and cotton.

So far as money is concerned, Germany probably has much more than she needs, especially of gold, for which, having little foreign trade, she has had little use.

Some statisticians believe that Germany has largely reimbursed herself in war costs by her great levies on occupied territories. However this may be, her plight is not the comparatively remediable condition of low cash, but the irremediable condition of not being able to produce the necessary goods, especially food.

At the outbreak of the war certain goods were in existence. Mostly the goods embraced in the war debt were represented by production since the beginning of the war. Therefore the actual commodity cost of the war is substantially only a portion of the commodities produced by the civil population during the period of the war.

An equal quantity of goods may be produced in an equal period after the war, and should be produced in a much shorter time, since all the people will be at work again. This is merely a question of efficient organization for industry, and reasonable efficiency and fairness in distribution.

## JOHN PURROY MITCHELL

THE DEATH of John Purroy Mitchell was as dramatic as his life had been. As Mayor of New York he had known power and dignity. He had administered more revenues and appointed more men to public office, during each year of his service, than constitute the civil list of some European states.

One familiar with American institutions will find two familiar conditions attaching to public opinion of Mitchell; the unanimous eulogy that follows his death and the sharply divided opinion of his political merits that attended his official career.

In every city, and especially in every great city, has grown up a sharp division of opinion, economic in its origin. The separation is ancient, and world wide. It is the division between the haves and the have-nots; between those who desire to equalize the distribution of wealth, and those who are engaged in centralizing wealth.

Mitchell was a champion and a hero of the haves. He was a sincere believer in the principle that the rule of the successful and the wealthy will make a country more prosperous.

He had the confidence of the wealth of New York, and upon the occasion of his last campaign this wealth was poured out to secure his election, more generously than it had ever been used before to secure the election of a candidate less important than one running for the presidency.

Quite recently such a use of money to control elections had been outlawed, because of comparatively late advances in legislation. By virtue of his defeat, the campaign ended in disgrace, and even in the indictment of many humble, and of some powerful supporters of it.

Mitchell continued to be admired, even by his enemies. The American people like a fighter. They like a man who is loyal to his friends, and to his cause. The American people are conscious that the struggle is between systems, rather than between individuals. They admire the strong individuals who rule the economies of America, even when such individuals must be opposed.

The American struggle in the economic areas, is not as bitter as the European struggle. Americans find time to appreciate their opponents. They carry no bitterness to the grave. The eulogy of Mitchell is sincere. It expresses the estimate his fellow citizens put upon him, even those who did not share his political views, or his economic alliances.

There is an added pathos in his tragedy. Mitchell would have desired a death in the presence of the foe, not a futile death by accident, while learning to fly.

## FIGHT OR WORK

THE STATUTES providing that men must fight or work are very useful. They will submit men who need it most to a discipline of utmost value, as well as to the individual who receives as to the state that imposes it.

Civilization with its companion, liberty, is not a carrier of the right of the individual to do as he pleases, but a bringer of discipline.

All worthy and admirable things proceed from discipline, from the submission of body and mind to effort which the savage man refuses to make.

Very close to the savage is the idler, the person who does

not do, or who refuses to do useful work. His powers are undeveloped; he is flabby in mind and morals. Well for him is it, that the times whirl him to the attention of the state, so that he is improved, will or nil.

He will be glad. The soldier taken for drill is not at first pleased. His feet are sore, his muscles are lame, his body cries out against the unwanted exercise. But when the drill is established, the soldier is ruddy, elastic, filled with health and with the joy of life. So it will be with the idlers, whom civilization recovers from their lives of barbarian sloth.

The order removing men from non-productive enterprises is of a different quality. It is not a discipline of the individual but of the community. The state casts out wasteful and unnecessary effort, that it may become more useful, more successful, more perfect and more filled with health.

What means after the war shall men adopt to insure bodily, and mental health? This is a problem which requires much thought. What the war gains must not be lost. After the war there must be a task for everyone and everyone must work at some worthy task.

## PRO-GERMAN NEWSPAPERS

WHILE ONE leading New York newspaper conducts a zealous campaign to prove that another is run in the interest of the Kaiser, government proceeds to arrest Dr. Edward A. Rumely, who borrowed a million from funds of the German government, and lost much of it running the New York Evening Mail.

This proves that government is the best authority upon patriotism, or the criminal lack of it. If anybody knows of any more papers like the Mail, furnish the information to the government. It will act promptly, and there will be no need of public campaigns waged by some newspapers against others.

Dr. Albert is said to have been the intermediary in this case. His name has been familiarized to the citizens of Bridgeport by the pictures, which on movie screens, show him busily engaged in an attempt to injure the United States.

## APPROACHING PROHIBITION

THE SENATE committee which has the Prohibition measure in tow has sent the body a measure which is likely to pass, and which proposes complete prohibition by Jan. 1, 1919.

Whether or not this measure passes, it is likely that the time is not very distant when the United States will be a dry country. Some of the best posted observers fix 1921 as the latest date to which the sale of intoxicating drinks can survive.

## WITH THE COLORS

CONNECTICUT has 45,000 men with the colors. The knowledge is gratifying, but it is less gratifying than the knowledge that Connecticut men are among the first and the bravest of the Americans who have shed their blood upon the soil of France to gain a victory for the world.

## THE ALLIED RESERVE

GENERAL MARCH says that something like 251,000 Americans are actually in the firing line. This is not a comforting statement for the Kaiser, since he is thereby informed that General Foch has a reserved American alone, amounting at least to 750,000, and equal to 62 German divisions, with the number swelling every day.

## HOME-BOUND TRANSPORT SUNK BY SUBMARINE

U. S. Covington, Former Hamburg Liner Cincinnati, Torpedoed in War Zone, and Six Members of Crew Are Missing.

Washington, July 6.—The United States army transport Covington, homeward bound with a fleet of troopships convoyed by American destroyers, was torpedoed in the war zone last Monday night and sank the next day while an effort was being made to tow her to port.

Six men of the crew are missing, but the others with the officers were landed at a French port. No soldiers or passengers were aboard.

The missing men are: Ernest C. Anderson, fireman, No. 54 Winthrop street, Lynn, Mass. Joseph P. Bowden, seaman, Mount Lake, N. J.

William Henry Lunch, Jr., fireman, No. 1250 Brown avenue, Manchester, N. H. Albert S. Payne, seaman, No. 35 Bennett avenue, West New Brighton.

English and O'Brien, with counsel, appeared before Federal Judge Morton and pleaded not guilty. Counsel said they might ask the court later for permission to change the plea. Bonds were furnished by both defendants.

## CONSUL AT TIFLIS REACHES MOSCOW

Washington, July 9.—Felix Wiloughby Smith, United States consul in Tiflis, Russia, has arrived in Moscow, where he is assisting in the work of the consulate, according to an announcement today at the state department.

Mr. Smith left Tiflis with the members of the consular forces of all the Allied nations when the German military forces advanced on that city.

It is understood at the state department that Vice Consul Hooker A. Doolittle accompanied Mr. Smith. Consul William L. Jenkins has left Trebizond to join the consular forces in Moscow.

It was said at the state department that no apprehension was felt for the safety of these men at present.

## JUNE REPORT OF POSTAL SAVINGS

The Postal Savings Bank gives out the following report for the month of June: Main office, 1 new account opened; 21 closed; 1,089 deposited; 658 withdrawn; \$589,041 deposited; \$50,837 withdrawn; 8,246 new accounts open; 2,851 withdrawn. Noble branch, 69 new accounts opened; 84 closed; 227 deposited; 240 withdrawn; \$22,067 deposited; \$19,980 withdrawn. Barnum branch, 43 new accounts opened; 28 closed; 272 deposited; 113 withdrawn; \$12,782 deposited; \$5,665 withdrawn. Stratford branch, 2 new accounts opened; 3 withdrawn; 8 de-

## NEW YORK PAPER GERMAN-OWNED OFFICIALS STATE

Dr. Rumely, Evening Mail Vice President Held on Perjury Charge.

BAIL AT HEARING FIXED AT \$35,000

First Intimation Came Through Inspection of Hun Fiscal Agent's Books.

New York, July 9.—Assertions that Dr. Edward A. Rumely, publisher of the Evening Mail, placed all his records at the disposal of the department of justice during personal visits to Washington led to bail being fixed at \$35,000 instead of \$50,000 as originally asked by federal counsel, when Dr. Rumely was arraigned today before United States Commissioner Hitchcock on a charge of perjury.

Hearing in the case, involving allegations by the government that the Mail is owned by the German imperial government, was deferred for two weeks.

Through the checking of financial transactions, international in scope, by which it is alleged, the New York Evening Mail became the property of the imperial German government, state and federal authorities caused the arrest late yesterday of Dr. Edward A. Rumely.

Instead of being American-owned, as Dr. Rumely, who is vice president, secretary and publisher of the Evening Mail, is alleged to have stated to A. Mitchell Palmer, alien property custodian, the Evening Mail, in fact, according to Merle E. Lewis, state attorney general, and Harold Harper, assistant United States district attorney, is owned by the imperial German government.

The first suspicion that German money paid for the Mail, it is said, came through an examination by federal authorities of the books of Hugo Schmidt, the German fiscal agent in this country.

The money, amounting to \$1,361,000, used in this transaction, which Attorney General Lewis has said has been carefully traced and checked up, was obtained in this country through the sale of German war loans.

"The documents in this case," Mr. Lewis said, "indicate that Rumely purchased the stock of the Mail & Express Co. from Henry L. Stoddard in June, 1915, the money paid to Rumely being drawn from deposits of the German government in various banks in the city of New York, these accounts standing in the name of Bernstorff, the former ambassador of Germany in Washington, and of Dr. Heinrich Albert, who was known, I believe, as the commercial attaché of the embassy. The money was drawn from the joint accounts of Bernstorff and Albert."

"The transfers of the money were concealed in the following manner: Dr. Albert procured various banks, where the German government had accounts in his own and Bernstorff's names, to issue cashier checks to the order of one Walter Lyon, a member of the former Wall Street firm of Benson, Lyon & Co. This firm in turn paid the money back to Lyon, who then transferred it to Rumely. We have the checks which figured in these various transfers."

Henry L. Stoddard, president of the Mail & Express Co., announced that the bond holders would take charge of the paper today.

## INTERNATIONAL EGG CONTEST

In the 35th week of the Storrs egg laying contest the Oregonians from the Agricultural College at Corvallis, Ore., won the honors for the week with a remarkable yield of 63 eggs. Tom Baron's White Leghorns from Catforth, England, were second with 55 eggs and E. A. Ballard's pen of Leghorns from Chestnut Hill, Pa., were third with 54 eggs. Fourth place was captured by J. O. LeFevre's pen of Leghorns from New Paltz, N. Y.

Not only did the Oregonians take the high honors for the weekly production but they have also jumped into first place, thus taking the lead from Knight's pen of Wyandottes which they have held for 23 weeks. Their lead, however, is only one egg which cannot be considered very serious at the present time as there are still 17 more weeks to go. The total production for the week was 3564 eggs, which is 130 less than for the previous week and 59 less than for the corresponding week last year.

Perhaps it is obvious that from now on a gradual falling off in production may be expected. This perhaps simply means that the poor producers in the flocks anticipate having a new coat of feathers. In order to keep the egg production up to its maximum yield, one should disperse all of the birds that are loafing on the job. These loafers can be told somewhat by the external characteristics such as molting, color of beak, legs and vent.

Egg production may also be retarded by the hens being bothered with mites, for their time is now at its height. The experienced poultryman can easily detect these pests if present in large numbers. He will be aware of the fact by a very peculiar odor. The best plan of procedure at this season of the year is to carefully inspect all cracks in the roosts and also their supports and when any mites at all are found, get after them with crude carbolic and kerosene or perhaps better still with—boiling water.

At Washington, 19 withdrawn; 133 deposited; \$1,440 withdrawn; less \$308. The total report of the main office and its branches is 291 new accounts opened; 241 closed; 1,698 deposited; 1,918 withdrawn; \$58,988 deposited; \$29,762 withdrawn; gain, \$14,176; new accounts 4,452; on deposit \$1,125,445.

National bank note circulation for the week ended July 5 decreased \$48,020.

## PETAIN'S MEN PUSH INTO FOE POSITIONS FARTHER THAN MILE

Two Farms Captured, Counter Attack Against One of Them Being Repulsed, and About 45 Prisoners Being Taken—Point of Blow Was Just South of Matz River on Front Between Montdidier and Oise, Northwest of Compiègne Forest—All Terrain Gained Reported Held Intact.

(By the Associated Press)

French troops hit the German lines a smashing blow early today in the area almost directly north of Paris, where the Germans were stopped after five days of fighting in their thrust toward the capital in the last and least successful of all their 1918 offensives, about a month ago.

The attack was delivered along a 2 1-2 mile front and at some points Gen. Petain's troops pushed into the enemy positions for the distance of a mile. Two farms were captured and a counter attack against one of them was repulsed. About 45 prisoners were taken.

The area chosen for the blow was just south of the Matz river region, northwest of the Compiègne forest, on the front between Montdidier and the Oise. The point of the German wedge projected here in the neighborhood of Antheuil, and it was just to the west of this town, astride the Compiègne road that the French drove in, taking valuable high ground on both sides of the highway.

The attacking forces were assisted by tanks in their drive. Apparently all the terrain gained has been maintained intact.

There has been considerable artillery fighting and raiding along this front in the last few days, but this morning's was the first infantry operation of note that has occurred there since the Germans' June offensive was crushed on the Matz, largely through the effective counter attack delivered on the third day of the offensive along the line to the northwest of Antheuil, toward Montdidier.

The new advance will serve still further to protect the important railroad junction of Estrees St. Denis, which lies several miles southwest of Antheuil.

Farther to the southeast along the line the French continued to develop their success of yesterday, gaining additional ground on the Marne front, east of the Retz forest, by forcing the Germans back farther in the vicinity of the Chavigny farm.

For several weeks the Germans have been drilling and instructing special attacking divisions behind the lines, leaving the front positions to be guarded by mediocre troops. German aerial activity has decreased in the last few days and it is probable that the airmen also are making ready for the next onslaught. The German artillery fire has increased to above normal only on certain sectors.

It is not unlikely that the enemy will depend on the element of surprises in the impending blow, as he did in March 21 and in the attack against the Chemin des Dames.

While the Germans have been spreading reports of an attack against the British, it now is known that they have not constructed defensive works on the front between Soissons and Rheims. The usual interval between enemy offensive movements has about expired.

Entente airmen are keeping up an active bombardment of the area behind the German lines. British fliers again have invaded Germany, dropping bombs on Kaiserlautz and Luxemburg.

Various reports of happenings in Russia concerning the murder of German Ambassador Von Mirbach, lack confirmation. Germany apparently has not yet acted. No movement toward Moscow has yet been reported, although the Germans have had large bodies of troops near Smolensk, 250 miles southwest of Moscow.

Paris, July 9.—French troops early today attacked the German lines on a front of about 2 1-2 miles west of Antheuil, on the front between Montdidier and the Oise, penetrating the enemy positions and realizing an advance of a mile at certain points, the war office announced today.

A German counter attack on the French lines at the Loges farm, in the area of this advance, was repulsed, the French entirely maintaining their gains. 450 prisoners, including 14 officers, being captured.

In the Longpont region east of the Retz forest the French increased their gains of yesterday and took additional prisoners.

British naval airplanes in the period between July 4 and July 7, dropped six tons of explosives on German works at Ostend, Zeebrugge and Bruges. Direct hits were observed on buildings and vessels. Five German airplanes were destroyed and three others were driven down out of control.

All the British machines returned.

## SENATE TO INVESTIGATE TELEGRAPHS MATTER

Members Take No Action Regarding Taking Over, Pending Inquiry Into Resolution Recently Passed By the House.

Washington, July 9.—Senators demanding investigation before action on the house resolution authorizing the president to take over telegraph, telephone, cable and radio systems won a partial victory today.

The senate interstate commerce committee, the senate was expected to renew its fight today for disposal of the resolution. Administration leaders in the senate planned to make an effort to avoid extended committee hearings, while opposition leaders declared they would demand that the committee investigate the measure more thoroughly as to its necessity and effects before reporting it.

STRICT RATIONS FOR COAL USERS

Washington, July 9.—Domestic users of coal will be put on strict rations under plans put into effect today by the fuel administration, to pre-

vent a repetition of the famine of last winter. Householders will be allowed only coal enough to heat their homes to a temperature of 63 degrees.

Consumers that obtain coal in excess of their allotments or that knowingly violate rules and regulations of the fuel administration will be prosecuted.